

BROOKLYN
1993
PLAN

CONFIDENTIAL

51843 0153

SAVINGS BRANDS

Our objective in 1992 was to gain Share Of Category for our Savings Brands and, toward that end, we aggressively couponed/VPRd our brands and carried and sold Monarch/Best Value from our cars. We accomplished our objective with over a 30% Share of Category.

At what expense?

The Full Time Sales Force spent considerable time addressing Savings Brands, which are far less profitable than Full Price.

Sub-jobbers and Retailers abused our programs, leading to further declines in the profitability of the Savings Segment. Volume went Up -- Profitability went Down.

We are a business, and the object of a business is to make money -- and to make as much money as we can. Therefore:

Reverse past practices and devote the majority of our time to emphasis of our Full Price Brands while continuing to offer our Savings and Low Cost Brands to consumers.

How do we do this?

> REFOCUS OUR EFFORTS

> WORK SMARTER:

PLAN Your Work
USE Account Specific Marketing
USE Available Resources Wisely
USE Retailers to Help
SEEK Clarification
TAKE Responsibility

> INDIVIDUAL EFFORT

> TEAM EFFORT

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SAVINGS BRANDS

STEP 1

READ It's Your Business

UNDERSTAND Our Guidelines

WORK Toward Priorities

EVALUATE Contracts:

Savings: Combine, Eliminate, Place

Full Price: Sell, Monitor

THINK PROFITABILITY!

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SAVINGS STRATEGY

Within your Assignment, select those stores that ...

- > Do Not Abuse
- > Do A Good Volume

Identify these calls with Management. Discuss Brand Distribution, Competitive Activity, Display Position, Advertising, and Brand Movement.

Discuss your rationale. Implement.

Work Top Down volume calls first.

PRICING

Select Brand(s) and Brand Styles to be promoted.

Secure Superior Display Position and Ad Copy. Price communication is essential.

Doral/Sterling/Magna should be priced at a profitable figure, which can be determined by understanding brand profitability and competitive sales and objectives.

Utilize Monarch/Best Value for low and competitive. Do not chase generics with Doral/Sterling/Magna if Monarch/Best Value is not in the store. Get distribution of Monarch/Best Value first.

Do not chase (increase VPR value) non-selling competitive generics.

If competitive generics are priced below D/S/M and Monarch or Best Value is in distribution and competitive generics begin selling and hurting D/S/M volume; suggest stepped approach on increased VPR amount based on profitability.

Enlist Retailers Assistance.
Ensure Compliance.
Monitor For Abuse.

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SAVINGS STRATEGY

PROCEDURES

Use indelible ink to mark all packs and cartons

Calls with Shelf Plans:

Place coupons.
Mark opposite end flap and UPC Code.
Mark bottom of packs lengthwise.

Calls with Shelf Plans and Package Display:

For carton sales, follow same procedure as above.
For pack sales, follow procedure below.

Calls with Package Display Only:

Mark both end flaps, UPC Code and bottom of
all packs lengthwise and place VPRs.
Back up stock for package display must have both
end flaps marked, UPC and all packs marked and
have VPRs.

Select Brand or Brands to VPR.

Select 3 or 4 Best-Selling Styles to VPR.

Do Not VPR other Styles to maintain distribution.

Tag all displays.

Note Store Volume. Use as a guide 5% of total volume to determine savings volume per week. Provide a maximum of 10% (2 weeks) supply of VPR/Coupons per location.

Monitor Sales for Possible Abuse.
Do not use Prebook Payment for Normal Order.
Enlist Retailer Assistance.

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FORSYTH BRANDS

PRIORITIES

> Exclusive

> Parity

Price Points

Competitive

RJR

RESPONSIBILITY

Small Car Stock Quantities

Use Primarily for Introduction

Be Knowledgeable About Program

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SAVINGS BRANDS

STEP II

UNDERSTAND

COMMUNICATE

TAKE RESPONSIBILITY :

IMPLEMENT!

FULL PRICE

The priority emphasis for this year is to increase Full Price Share of Category through:

SALES FORCE EFFORT

- > Increased Attention
- > Account Specific Marketing
- > Promotions
- > Display/Advertising/Merchandising

INCREASED ATTENTION

> CAR STOCK Monies

Full Price	75%
Savings	20%
Monarch	5%

- > PLAN Your Work
- > ADDRESS and CURE Low Levels
and Out-Of-Stocks
- > ROTATE
- > SELL
- > HOW Can I Increase Full Price Business?

ACCOUNT SPECIFIC MARKETING

KNOW Your Stores

- > WHAT Sells?
- > WHO Are The Customers?
- > WHAT Can I Do (Priority Brands)?

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FULL PRICE

PROMOTIONS

- > WHAT Do I Have?
- > ASM
- > WHAT Can I Sell?
- > WHAT Should I Sell?
- > ON-GOING Monitoring

DISPLAY/ADVERTISING/PROMOTIONS

> DISPLAYS

Best Position
Tagged
Superior Advertising
How Best To Utilize

> ADVERTISING

Support Promotions (POS)
Place Permanent PDI
Communicate Pricing
Decals

> MERCHANDISING

Guidelines
WHAT Do We Get?
Co-Existence
Cost Sharing
Retail Cooperation

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MERCHANDISING

Shift in philosophy caused by our presence improved during 1992 despite heavy competitive presence and fixturing expenses increased.

Focus on maintaining our Merchandising toward supporting our Full Price Brands more cost efficiently.

OPERATING PRINCIPLES

USE ASM to guide you on finite resources on hand in a call.

DEFEND and MAINTAIN Superior Merchandising Presence Effectively and Efficiently.

UTILIZE Co-Existence.

PROTECT Advertising, Display, and Merchandising Space

Displays Emphasize Full Price. Consolidate Savings, Fixtures, and Payments.

Position Emphasize Full Price. Do Not disadvantage Full Price with Savings.

Promotion Emphasize Full Price Promotions which would provide greatest consumer impact.

Advertising Emphasize Impactful, Permanent Advertising Supporting Full Price Brands.

SHIFT Emphasis to Packs in Carton Outlets.

EFFICIENTLY Support Savings/Forsyth Brands in High Volume Savings Calls.

WORK Top Down.

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RESPONSIBILITY

USE Account Specific Marketing.

ENSURE you plan and execute your work per Operating Guidelines.

ENSURE your Planning and Work are as simplified as possible to allow more time for selling.

ENSURE you Play a Partnership Role with Management.

EMPOWER yourself!

MANAGE your Assignment as if it was your Business and Exercise Prudent Risk-Taking.

Take Personal Responsibility for Communications

Two-Way Street

Shared Responsibility

Provide Continuous Feedback Regarding Planning and Execution.

MANPOWER STRUCTURE

13 FULL TIME
5 SALES REP-TEMPS

KEN

Hiram	Joan
Melanie	Danny
Mike	John
Wanda	Al
Dottie	Mike

WORK PLAN - PRIORITIES, PROMOTIONS

ALEX

Valerie	Peggy
Artie	Bernadette
Susan	David
Missy	New S/R-T

PART-TIME, DISPLAYS, FIXTURES, TRAINING

BROOKLYN PRIORITIES

JANUARY

<u>PICK UP CODES</u>	<u>JAN</u>	<u>FEB</u>	<u>MAR</u>
RETAIL	E2	F2	G2
WHOLESALE	H2	I2	J2

CALLCOUNT/COVERAGE

- COMPLETE COVERAGE OF ALL MONTHLY CALLS
IN THREE WEEKS
- WORK TOWARD INDIVIDUAL CALL COUNT OBJECTIVES
- COORDINATE S/R-T SUPPORT WITH MANAGEMENT.

PRIORITIES

- WORK FULL PRICE PROMOTIONS
- ENSURE ACCURACY OF H/H REPORTING & MASTER LIST
- EVALUATE STORES & PRESENT FULL PRICE DISPLAYS

ADVERTISING

- SALEM METALS
- CAMEL 3-D/ EASEL
- BANNERS

***** TURN OFF ALL PROMOTIONS IN YOUR HAND HELD THAT
YOU ARE NOT WORKING. SEE PROMOTION BOOK FOR ACTIVE
DISPLAYS**

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JANUARY PROMOTIONS

BASE

Salem .50 Off VPR

H/H Reporting

SA .50/1 Pk VPR

Working

S/Rs & S/R-Ts

Value Added/Telemarket

Winston B3 Get Free Motowatch

Direct Accounts

Subjobber

Winston B2 Get Camplite

Direct & Subjbr

Salem B2 Get Hat

Direct & Subjbr

NOTE: Turn off all displays (NV) except for
SA \$4 Ctn Cpn (If signed for)
SA .50/1 Pk Cpn (If signed for)
SA .50/1 Pk VPR

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FEBRUARY PROMOTIONS

BASE

H/H Reporting

Working

Winston Select B1G1F

S/Rs

SUPPLEMENTAL/OPPORTUNISTIC

Now B1G1F

Now BxGxF Pack

(S/Rs by
A/S/M)

Win Radio/Flashlight

Win Prem Ctn

S/R-Ts

Win Buy3 Get Lighter

Win Prem Pack

S/R-Ts

Win Buy Ctn Get 5 Free

Win BxGxF Ctn

S/R-Ts

Now Buy 2 Get Lighter

Now Prem Pack

S/R-Ts

Win .50 Off VPR

WI .50/1Pk VPR

S/Rs

MARCH PROMOTIONS

BASE

Camel B3 Get Ashtray

Cam Prem Pk

S/R-Ts

SUPPLEMENTAL/OPPORTUNISTIC

Camel .50 Off VPR

Ca .50/1Pk VPR

(S/Rs &
S/R-Ts)

Camel Buy 3 Get Belt

Cam Prem Pack

S/Rs

Camel Buy 3 Get Ski Cap

Cam Prem Pack

S/Rs

Vantage B1G1F

Van BxGxF Pack

(S/Rs &
S/R-Ts)

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1Q93 COUPONS

<u>TYPE</u>	<u>H/H REPORTING</u>	<u>AVAILABILITY</u>
Salem \$4.00	SA \$4 Ctn Cpn	Now
Salem .50	SA .50/1Pk Cpn	Now
Winston .50	WI .50/Pk Cpn	TBA
Winston \$4.00	WI \$4 Ctn Cpn	"
Vantage \$4.00	VA \$4 Ctn Cpn	"
Vantage \$3.00	VA \$3 Ctn Cpn	"
Camel \$3.00	C \$3 Ctn Cpn	"
Now \$4.00	Now \$4 Ctn Cpn	"
Now \$3.00	Now \$ Ctn Cpn	"

ALL COUPONS TAKEN MUST BE SIGNED OUT FOR AND CAN NOT BE TRANSFERRED BETWEEN S/Rs.

- o Carton Coupons are to be used by Full Time, S/R-Ts, and Promotional Specialists in stores with Shelf Plans only (SS1/NSS).
- o Package Coupons are to be used by Promotional Specialists, S/R-Ts in Chain calls only.

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2ND QUARTER PROMOTIONS

BASE PROMOTIONS

APRIL	MAY	CAMEL BIG1F
MAY	JUNE	CAMEL BRASS LIGHTER

SUPPLEMENTAL/OPPORTUNISTIC

Winston B2G Free Keychain	Salem BIG1 Free
Winston B3G Free Pen/Pencil	Salem Gold BIG1 Free
Winston Select BIG1 Free	Salem Slims BIG1 Free
Winston Hispanic Boxing Mag.	Salem B3G Free Shorts
Vantage BIG1 Free	Salem .50 Off Tear Strip
More Shell Pen w/2 Packs	

COUPONS/VPRs

Winston \$3.00 Coupon
Winston .50/1 Pk VPR
Winston .50 1/Pk Coupon
Salem \$3.00 Coupon
Salem .50/1 Pk VPR
Salem .50 1/Pk Coupon
Camel \$3.00 Coupon

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